

CITY OF LINCOLN/LANCASTER COUNTY

CONTRACT AWARD NOTIFICATION

SPECIFICATION NO.02-108

ANNUAL REQUIREMENTS FOR

COLLECTION OF PAST DUE ACCOUNTS

FOR LANCASTER COUNTY

DATE: June 13,2005

CONTRACT PERIOD: August 1,2005 thru July 31,2006

CONTRACTOR: NCS, Inc.
705 Douglas St., Suite 344
Sioux City, IA 51101

PURCHASING DIVISION
K-STREET COMPLEX
440 SOUTH 8TH STREET
LINCOLN, NEBRASKA 68508
(402) 441-7410

Company Representative: Tom L. Noll
Telephone No.: 712/252-0583
FAX No.: 712/233-3404
E-Mail Address: ncs@ncscollects.com

THE CITY/COUNTY'S SPECIFICATIONS AND THE CONTRACTOR'S ACCEPTED PROPOSAL AND PRICING SCHEDULES, NOW ON FILE IN THE OFFICE OF THE CITY CLERK AND/OR THE COUNTY CLERK, ARE ADOPTED BY REFERENCE AND ARE AS FULLY A PART OF THIS CONTRACT FOR THE ABOVE-NAMED COMMODITY AS IF REPEATED VERBATIM HEREIN.

PER RENEWAL LETTER DOCUMENTS SIGNED & DATED JUNE 20, 2004

NO ACTION NEED BE TAKEN BY THE CONTRACTOR AT THIS TIME. ORDERS FOR MATERIAL WILL BE MADE AS NEEDED BY THE VARIOUS CITY/COUNTY DEPARTMENTS.

DEPARTMENTS REQUIRING CATALOGS AND/OR PRICING SCHEDULES SHALL NOTIFY THE CONTRACTOR DIRECTLY.

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Original contract to: Contractor,
Co. Clerk public file,
County Agency

CONTRACT DOCUMENTS

L A N C A S T E R C O U N T Y

N E B R A S K A

F O R

Collection Services for Past Due Accounts
For Lancaster County
AS PER SPEC. #02-108

Contractor: NCS, Inc., Sioux City, IA

LANCASTER COUNTY, NEBRASKA CONTRACT AGREEMENT

PURPOSE

THIS CONTRACT, made and entered into this ____ day of ____, 2002 by and between **NCS, Inc., 705 Douglas Street, Suite 344, Sioux City, IA 51101** hereinafter called "Contractor", and the Lancaster County, Nebraska, hereinafter called the "County".

WITNESS, that:

WHEREAS, the County has caused to be prepared, in accordance with law, Specifications and other Contract Documents for the Work herein described, and has approved and adopted said documents and has caused to be published an advertisement for and in connection with said Work, to-wit:

for all labor, material and equipment necessary to perform Collection Services on Past Due Accounts and associated work, as per Specification 02-108 (opened May 22, 2002) which shall be incorporated into this contract as Exhibit A

and,

WHEREAS, the Contractor, in response to such advertisement, has submitted to the County, in the manner and at the time specified, a sealed Proposal in accordance with the terms of said advertisement; and,

WHEREAS, the County, in the manner prescribed by law has publicly opened, read aloud, examined, and canvassed the Proposals submitted in response to such advertisement, and as a result of such canvass has determined and declared the Contractor to be the lowest responsible bidder for the said Work for the sum or sums named in the Contractor's Proposal, a copy thereof being attached to and made a part of this Contract;

NOW, THEREFORE, in consideration of the sums to be paid to the Contractor and the agreements herein contained, the Contractor and the County have agreed and hereby agree as follows:

1. AGREEMENT DOCUMENTS

- 1.1 The Agreement consists of this document and all other exhibits, specifications, supplementary conditions, offers, addenda, and other documents attached or referenced. It may also include amendments added in the future.

2. CONTRACTOR'S OBLIGATIONS

- 2.1 SERVICE DESCRIPTION. The Contractor will conduct accounts receivable collection services as described in the specifications (**see exhibit A**), and the Contractor's response dated May 24, 2002 (**see exhibit B**). All work shall be completed to the County's satisfaction.

- 2.2 The Contractor must obtain prior written approval from the County for any change in the scope of work that materially increases or decreases the cost of performance. In addition, the Contractor must perform all modified work according to the terms of this Agreement.
- 2.3 The County will not accept any claim for extra work or materials furnished unless the Contractor receives prior written authorization from the County. All work or materials furnished without prior written authorization are at the Contractor's own risk and expense.
- 2.4 The Contractor agrees to accept as full compensation from the County for the performance of the Work embraced in this Contract, 19 % Nineteen percent, of the collected funds not requiring litigation; and 24 % Twenty-Four percent, of the collected funds that require litigation.
- 2.5 In collecting such past due accounts, the Contractor shall comply with all applicable laws; rules and regulations and shall engage only in activities and actions and use only collection tools and methods which fully comply with all applicable laws, rules and regulations.
- 2.6 All costs and expenses incurred in connection with the collection of accounts will be borne by the Contractor, including, but not limited to, attorney fees and filing costs expended on accounts specifically authorized for civil suit.

3. COUNTY'S OBLIGATIONS

- 3.1 The County shall furnish one copy of data in its possession pertinent to completion of the work. Upon request from the Contractor the County shall provide, within reason, any additional information necessary to perform the duties as outlined herein.
- 3.2 The County shall make information and data concerning policies, standards, criteria, and studies available for reproduction.
- 3.3 The County agrees to pay the Contractor for the performance of the Work embraced in this Contract, the percentages of the collected funds listed herein (see 2.4).
- 3.4 The County agrees to promptly notify the Contractor of any and all arrangements made directly with County's debtors to Contractor.

4. PAYMENTS

- 4.1 The County will pay the Contractor and the Contractor shall remit to the County for performance of services according to the specifications (**see Exhibit A**).

- 4.2 The County will make payments within 30 calendar days from the date the Contractor submits invoices and claims.
 - 4.2.1 An estimate and progress report for work completed through the last day of the preceding calendar month shall accompany all requests for payment.
- 4.3 The Contractor may not make any charge or claim for damages that result from delays or hindrances beyond the County's control.
 - 4.3.1 The sole form of compensation for delay or hindrances is a reasonable extension of time agreed to by the parties.
 - 4.3.2 An extension is not a waiver of any of the County's legal rights.
- 4.4 All documents the Contractor presents to the County under this agreement are the County's permanent property.
 - 4.4.1 The Contractor must deliver all required reports before the County will make final payment.

5. TRUST ACCOUNT

- 5.1 Contractor will coordinate with the County in the establishment of a trust account at a bank designated Contractor and approved by the County.
 - 5.1 All receipts shall be deposited directly into the trust account and Contractor shall remit to the County by the 15th of the month following collection, all funds collected minus the collection fees agreed herein.
 - 5.2 A complete accounting of the payments will also be delivered once a month including: Guarantor name, amount paid, collection fee, County's portion and account balance.
- 5.2 The Contractor shall be responsible for collection of insufficient fund checks.
 - 5.2.1 Collections for the purpose of this Agreement will be net of all insufficient funds checks not collected.
 - 5.2.2 All billing paperwork provided to payors by Contractor shall direct payments to be made to such "lock box" in care of Lancaster County.

6. CONFIDENTIALITY

- 6.1 If and to the extent, and so long as, required by the provisions enacted by the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, but not otherwise, Contractor does hereby assure the County that Contractor will appropriately safeguard protected health information made available to or obtained by Contractor.
- 6.2 In implementation of such assurance and without limiting the obligations of Contractor otherwise set forth in this Agreement or imposed by applicable law, Contractor hereby agrees to comply with applicable requirements of law relating to protected health information and with respect to any task or other activity Contractor performs on behalf of the County.

- 6.3 At termination of this Agreement, Contractor shall return or destroy all protected health information received from County that Contractor still maintains in any form and retain no copies of such information.
- 6.4 The Parties agree that this Agreement may be amended from time to time if and to the extent required by the provisions of 42 U.S.C. 1171 et seq. enacted by the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated thereunder, in order to assure that this Agreement remains consistent therewith.

7. TERM OF AGREEMENT

- 7.1 This Agreement is for a term of one (1) year as twelve (12) consecutive months to begin **August 1, 2002 through July 31, 2003**, unless sooner terminated, in whole or in part, as provided herein.
- 7.2 With mutual consent, the County may exercise the option to extend the Agreement period for additional twelve (12) month periods as set forth in the specifications **(see Exhibit A)**.
- 7.3 The County shall notify the Contractor of any determination to extend this Agreement no less than thirty (30) days prior to the beginning of the relevant optional year.

8. TERMINATION OF THE AGREEMENT

- 8.1 The Agreement may be terminated by the following:
- 8.1.1 Termination for Convenience. The County reserves the right to terminate any part of or the entire contract that may result from this bid without cause and at any time provided the Contractor is given thirty (30) calendar days written notice.
- 8.1.1.1 The Contractor may cancel said agreement upon ninety days written notice (to allow sufficient time for the County to secure another provider).
- 8.1.2 Termination for Cause. The County may terminate the Contract if the Contractor:
- 8.1.2.1 Refuses or fails to supply enough properly skilled workers or proper equipment to satisfactorily provide complete needs assessment as requested.
- 8.1.2.2 Disregards laws, ordinances, or regulations or orders of a public authority having jurisdiction over the Contract.
- 8.1.2.3 Otherwise commits a substantial breach of any provision of the Contract Document.

8.2 The County and the Contractor shall have the following obligations upon termination:

8.2.1 The County must notify the Contractor in writing. Upon receipt of notice, the Contractor must cease all work and proceed to close out all operations.

8.2.2 The Contractor must deliver all reports and estimates entirely or partially completed and all unused materials supplied by the County.

8.2.3 The Contractor must appraise the work completed and submit the appraisal to the County for evaluation.

8.2.3.1 In the event of termination for any reason, Contractor shall make available to the County or its designate a full accounting of the status of all county accounts.

8.2.4 The County will pay the Contractor a fee for the percentage of the work actually completed as payment in full for services rendered to the date of termination.

8.2.4.1 The fee is a percentage of the Contractor's fee as described in the offer including any amendments (**see Exhibit B**).

8.2.4.2 The County will make final payment within 60 days of contractor's delivery and County's acceptance of all completed or partially completed work.

9. INSURANCE REQUIREMENTS

9.1 Prior to commencement of any services, the Contractor shall provide the County with the requested insurance certificates identifying this Agreement by name and number (**see Exhibit C**). All required insurance policies, except Workers' Compensation and Professional Liability, must name the County as Additional Insured with regard to this project.

9.1.1 The Contractor must give the County thirty days written notice before cancelling any policy.

9.1.2 The Contractor's failure to furnish evidence of insurance may be considered a breach of contract.

9.1.3 The Contractor must require any subcontractors to provide Worker's Compensation and Employer's Liability with at least as much coverage as that provided by the Contractor.

10. NON-TRANSFERABLE RESPONSIBILITIES

10.1 No assumption or takeover of any of Contractor's duties, responsibilities, or obligations, or performance of same by any entity other than Contractor whether

through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration, for any reason whatsoever, may occur without County's express prior written approval.

- 10.2 If any such assumption, takeover, or unauthorized performance does occur without such prior written approval, this Agreement will become void for failure of its essential purpose. Such act is therefore a material breach of this Agreement, upon which County may pursue any lawful remedy.

11. ASSIGNMENT AND SUBCONTRACTING

- 11.1 Contractor shall not assign its rights, delegate its duties or subcontract any performance of our Agreement without the express prior written consent of County. Any assignment, delegation or subcontract without such express prior written consent shall be null and void and shall constitute a material breach of this Agreement, upon which County may immediately terminate the Agreement in accordance with the provisions stated in section 8.

12. TIME IS OF THE ESSENCE

- 12.1 Time is of the Essence. If any anticipated or actual delays arise, Contractor shall immediately notify County. Regardless of notice if deliveries are not made at the time agreed upon, County may, at its sole discretion, terminate this Agreement and proceed pursuant to section 8.

13. INDEPENDENT CONTRACTOR STATUS

- 13.1 This Agreement is by and between County and Contractor and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between County and Contractor. The employees and agents of one party are not the employees or agents of the other party for any purpose whatsoever.
- 13.2 Contractor understands and agrees that all persons performing work pursuant to this Agreement are, for purposes of worker's compensation liability, solely employees of Contractor and not employees of County. Contractor shall be solely liable and responsible for furnishing any and all workers' compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of Contractor hereunder.
- 13.3 The employees and agents of each party, shall while on the premises of the other party, comply with all rules and regulations of the premises, including, but not limited to, security and safety requirements.

14. INDEMNIFICATION

- 14.1 The Contractor shall indemnify and hold harmless the County, its members, its officers and employees from and against all claims, damages, losses, and expenses, including, but not limited to attorney's fees arising out of or resulting from the performance of the contract, provided that any such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property other than goods, materials and equipment furnished under this contract) including the loss of use resulting therefrom; is caused in whole or part by any negligent act or omission of the proposer, any subcontractor, or anyone directly or indirectly employed by any one of them or anyone for whose acts made by any of them may be liable, regardless of whether or not it is caused by a party indemnified hereunder.
- 14.2 In any and all claims against the County or any of its members, officers or employees by an employee of the proposer, any subcontractor, anyone directly or indirectly employed by any of them or by anyone for whose acts made by any of them may be liable, the indemnification obligation under paragraph 14.1 shall not be limited in any way by any limitation of the amount or type of damages, compensation or benefits payable by or for the proposer or any subcontractor under worker's or workmen's compensation acts, disability benefit acts or other employee benefit acts.

15. LICENSES AND BONDS

- 15.1 The Contractor shall obtain whatever insurance, licenses and bonds and fulfill whatever other requirements as are required in order to perform this Agreement, and shall provide evidence of such insurance, licenses and bonds to the County.

16. GOVERNING LAWS

- 16.1 The Laws of the State of Nebraska shall govern the rights, obligations, and remedies of the Parties under this proposal and any agreement reached as a result of this process.

17. EQUAL EMPLOYMENT OPPORTUNITY

- 17.1 In connection with the carrying out of this project, the contractor shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age or marital status.

- 17.2 The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, color, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other compensation; and selection for training, including apprenticeship.

These Contract Agreements, together with the other Contract Documents herein above mentioned, form this Contract, and the are as fully a part of the Contract as if hereto attached or herein repeated.

The Contractor and the County hereby agree that all the terms and conditions of this Contract shall by these presents be binding upon themselves, and their heirs, administrators, executors, legal and personal representatives, successors, and assigns.

IN WITNESS WHEREOF, the contractor and the County do hereby execute this contract.

EXECUTION BY LANCASTER COUNTY, NEBRASKA

CONTRACT APPROVED AS TO FORM:

COUNTY OF LANCASTER, NEBRASKA

David W. Johnson Jr.
for Lancaster County Attorney

Bob Parkman
Chairperson, Board of Commissioners
7/16/02

EXECUTION BY CONTRACTOR

IF A CORPORATION:

ATTEST:

Nathaniel Wall (SEAL)
Secretary

NCS, INC
Name of Corporation

PO Box 593 Sioux City IA
Address

By: [Signature]
Duly Authorized Official

Manager
Legal Title of Official

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